



# Idaho Soil Conservation Commission

2270 Old Penitentiary Road • Boise Idaho 83712

Telephone: 208-332-8650 • Fax: 208-334-2386

[www.scc.idaho.gov](http://www.scc.idaho.gov)

## IDAHO SOIL CONSERVATION COMMISSION

### Commission Meeting & Teleconference

**Wednesday, June 16, 2010**

Idaho State Department of Agriculture

Lower 3 Conference Room

2270 Old Penitentiary Rd

Boise, Idaho 83712

8:00 a.m. MDT

### APPROVED MINUTES

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#### COMMISSION MEMBERS PRESENT VIA TELECONFERENCE:

J. Morgan Evans

Bill Flory

Joe Davidson

Dwight Horsch

Dick Bronson

#### COMMISSION STAFF PRESENT:

Sara Schmidt

Kristin Magruder

Frank Arana

#### PARTNERS AND GUESTS PRESENT:

Harriet Hensley

Dennis Tanikuni

Connie Smith

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1 Meeting was called to order by Chairman J. Morgan Evans at 8:01 a.m.

2  
3 Welcome and self-introductions followed.

4  
5 **DEPARTMENT OF ADMINISTRATION**  
6

7 Evans turned the floor over to Connie Smith, Department of Administration (Dept of Admin), to  
8 discuss the pending Memorandum of Understanding (MOU) between the Dept of Admin and  
9 the Commission to provide support services beginning July 1, 2010 for Fiscal, Information  
10 Technology (IT), and Human Resources (HR) small agency support. Includes core support  
11 services and addresses unique services specific to the Commission such as STARS support, cash  
12 receipting, grants, interfacing with State Controller's office, financial statements, year-end  
13 close-out support, budgeting and support during legislative session, payroll and personnel  
14 support, recruitment and announcements, state benefit support, new hire orientation and  
15 support, audit support, budget development, and personnel development.

16  
17 Ms. Smith discussed the structure of the fees and costs of services, which includes a review  
18 every three (3) months to ensure the level of support and hours being accrued are consistent  
19 with the fees being paid by the Commission. Fees from July 1, 2010 through June 30, 2011, are  
20 estimated at \$61,000, subject to the quarterly reviews. Certain costs are the sole responsibility  
21 of the Commission, including legislative audit, risk management costs, attorney general fees,  
22 treasurer, controller, and facilities services.

23  
24 Ms. Smith explained that the minimum requirements section follows state guidelines for fiscal,  
25 HR, and other state processes. The effective date of the MOU will be from July 1, 2010 and  
26 expires on June 30, 2011. Parties may renew at any time or may terminate the agreement with  
27 90-days notice.

28  
29 Sara Schmidt, Administrator, thanked Ms. Smith and the Dept of Admin for all of their help and  
30 support during this time and is very appreciative of their flexibility. Ms. Schmidt further  
31 explained about the unknown factor of the actual amount of time or cost given that it had  
32 never been tracked in the past and feels that the quarterly reviews will be beneficial to all  
33 parties involved to capture accurate costs.

34  
35 **Joe Davidson, Secretary, moved to authorize the Administrator to finalize and sign the**  
36 **Memorandum of Understanding with the Dept of Administration. Bill Flory, Vice-Chair,**  
37 **seconded. No discussion. Motion passed unanimously.**  
38

39 Ms. Smith thanked the Commissioners for their time and is looking forward to working with the  
40 Commission and staff in the future. Evans thanked Ms. Smith and excused her from the rest of  
41 the meeting.  
42

Ms. Schmidt gave a brief overview of the Information Technology (IT) Memorandum of Agreement (MOA) compared with the history of the services currently provided. This MOA is fairly extensive and appears to cover all needs.

#### REVIEW OF DRAFT MINUTES

Davidson reviewed minutes from the May 19 and 20, 2010 Commission Meeting and Budget Hearing and found them to be correct.

**Davidson moved to approve May 19 and 20, 2010 minutes as presented. Dwight Horsch, Member, seconded. No discussion. Motion passed unanimously.**

#### ADMINISTRATOR'S REPORT/REVIEW CLOSEOUT OF FY 2010

Ms. Schmidt reviewed the May 2010 financial report. Roll down of \$184,000 was approved by the Division of Financial Management (DFM) from Personnel Costs (\$70,000) and Operating Expense (\$114,000) to Trustee and Benefits for District Allocations. Ms. Schmidt relayed that these roll downs are highly unusual and that it is unlikely that DFM will approve roll downs in subsequent years. Lance Holloway, Water Quality Program for Agriculture (WQPA) Manager, worked very diligently to finalize WQPA payments to close out the fiscal year. All total, \$251,000 will be allocated to the districts by the end of the week. Ms. Schmidt described the FY2010 allocation – five districts will be getting a 2-to-1 match with this final third allocation. Ms. Schmidt thanked staff for their diligence in getting this allocation calculated and processed.

Part of the strategy of closing out FY 2010 was to get as much money to the districts as possible, therefore, the Idaho District Employee Association (IDEA) budget request of \$50,000 does not need to be considered because IDEA did not want to compete with funds for district allocations.

Ms. Schmidt advised the Commissioners about the Capital Outlay line item of \$30,000. The spending authority was granted by DFM in order to purchase office and computer equipment.

**Flory moved to accept the Administrator's Report. Dick Bronson, Member, seconded. Comment by Flory about the fiscal responsibility of the Commission and the prudent expenditures of the Commissioners. Motion passed unanimously.**

Ms. Schmidt advised the Commissioners that with all of the changes, it was appropriate to present a small token to the Commissioners for their service to the Idaho Soil Conservation Commission, which will be presented at a later date.

Ms. Schmidt discussed the activities of the field staff and their effort to keep conservation projects moving on the ground.

86 Department of Agriculture has agreed to fund OnePlan an additional \$2,500 as a match for the  
87 \$12,500 that has been paid by SCC. The District Supervisors Manual is being started and have  
88 budgeted \$10,000 to complete. The QuickBooks invoice for FY 2011 online services is to be  
89 paid this week.

90  
91 In July 2010, a private contractor has been provided at no charge as part of a larger state  
92 contract to the Commission to redesign our website.

93  
94 The Dept of Admin HR Manager will be evaluating the SCC structure and will advise on the best  
95 way to fill existing vacancies.

96  
97 WQPA update: Mr. Holloway has worked through the details of each project to fund  
98 appropriately and help the districts meet their goals. Portneuf Soil and Water Conservation  
99 District has decided to cancel their WQPA contract because the Department of Environment  
100 Quality (DEQ) cancelled their 319 contract and the project was no longer economically feasible  
101 for the district.

#### 102 103 **RESOURCE CONSERVATION AND RANGELAND DEVELOPMENT PROGRAM (RCRDP)**

104  
105 Ms. Schmidt discussed the vacancy in the loan program for a loan officer. Ms. Schmidt is  
106 looking at the option of sharing a loan officer with the Office of Energy Resources (OER) and has  
107 a meeting tomorrow to finalize the details on that partnership. Ms. Schmidt believes that it will  
108 be beneficial to both agencies for cross-training and coverage and reviewed the loan officer  
109 priorities for the loan program. Frank Arana, Acting Loan Officer, has done a great job on  
110 working with loan participants in getting collateral security perfected.

111  
112 **Davidson moved to enter Executive Session pursuant to Idaho Code § 67-2345(d) to review**  
113 **pending RCRDP loan applications. Flory seconded. Roll call vote was taken by Kristin**  
114 **Magruder, Commission Staff, with all voting in the affirmative.**

115  
116 Harriet Hensley, Sara Schmidt, Kristin Magruder, and Frank Arana were invited to stay.

117  
118 **Moved into Executive Session at 8:46 a.m. to discuss pending RCRDP loan applications.**  
119 **Executive session ended at 9:46 a.m.**

120  
121 Commissioners discussed the disposition of pending RCRDP loan applications.

#### 122 123 Loan No. 580 Modification

124 **Horsch moved to approve modification of Loan No. 580 with inclusion of attorney fees, if**  
125 **possible. Davidson seconded. Discussion followed. Motion passed unanimously.**

Loan No. 616 Modification

**Davidson moved to approve modification of Loan No. 616 by removing the prior loan requirement of securing water rights and to allow the loan officer to secure the loan with a second on real estate if possible. Horsch seconded. Discussion followed. Four ayes, one nay: Motion passed.**

Loan No. 371 Modification

**Flory moved to approve the modification of Loan No. 371 as presented. Davidson seconded. Discussion followed. Motion passed unanimously.**

Loan No. 381 Modification

**Horsch moved to approved the modification of Loan No. 381 to change the maturity date. Flory seconded. No discussion. Motion passed unanimously.**

Loan No. 258 Modification

**Davidson moved to approve the modification of Loan No. 258 as presented and allow loan officer to recollateralize and resecure the loan. Flory seconded. Discussion followed. Motion passed unanimously.**

Loan No. 630 New Application

Amount: \$33,250

Term: 5 years

Rate: 3%

Project description: Purchase of an air drill to improve water and soil quality.

**Flory moved to approve Loan No. 630 subject to the Loan Officer recommendations including, but not limited to, the Loan Conditions as listed on page O-4 of the loan packet. Bronson seconded. No discussion. Four ayes; one nay. Motion passed.**

Ms. Schmidt advised the Commission that the next meeting is scheduled for Wednesday, August 11, 2010 in Eastern Idaho. The Madison Soil and Water Conservation District is planning a conservation tour on August 10<sup>th</sup> and the Jefferson and Mud Lake districts will be requesting a consolidation hearing during that period as well.

There are currently 17 applicants for the Commissioner positions and the Governor's office will be asking all for one more piece of information before a final decision is made.

Flory thanked Dennis Tanikuni, Idaho Farm Bureau, for his and the Bureau's continued support, input, and presence during the legislative session in support of the Commission.

Evans thanked fellow Commissioners and expressed his gratitude at their service.

170 **Flory moved to adjourn. Horsch seconded. Motion passed unanimously. Meeting adjourned**  
171 **at 10:05 a.m.**

172

173 Respectfully submitted,

174

175 Joe Davidson

176 Commissioner and Secretary,

177 Idaho Soil Conservation Commission